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This annual report covers the sixth year of operations for Sterisystems Ltd., its third year as a public company.

Sterisystems Ltd. operates in the health care field through three divisions — Hospital Services Division, including Sterivision, engaged in hospital patient television rental, Stericomm, supplying hospital communications systems and Steriflower, conducting in-hospital flower sales; Sterimed Division, distributing electrical and electronic medical and surgical instruments; and Webber Pharmaceuticals Division, Canada's original and leading manufacturer of vitamin E products with the highest biological potency attainable.

STERISYSTEMS LTD.

FINANCIAL HIGHLIGHTS	1973	1972
Revenue	$5,638,000	$2,874,000
Cash flow	$1,752,000	$ 995,000
Profit for the year	$ 804,000	$ 451,000
Earnings per share — fully diluted	$ 0.58	$ 0.37
Common shares outstanding at year-end	1,359,873	1,169,373
Shareholders' equity	$2,724,000	$3,005,000
Total assets	$7,810,000	$5,527,000

To our Shareholders

Continued growth in sales and profits and an expansion of our marketing activities were the notable achievements of your company in 1973.

Financial

Sales increased by 96 percent to $5,638,451 while profits rose by 78 percent to $804,200 or 58 cents per share compared with 37 cents per share a year ago. This profit performance is particularly gratifying in that it was accomplished despite the fact our corporate tax rate rose from 22 percent to 48 percent due to the extinction of our tax loss carried forward during 1972.
To allow a realistic interpretation of its progress, the company has adopted the practice of writing off goodwill to retained earnings. The effects of this policy are reflected on the balance sheet.

Hospital Services and Sterimed Divisions

Six years ago Sterisystems embarked upon its plan to offer a broad range of services to hospitals. Starting with the provision of rental television service to patients, it moved into the field of communications within hospitals supplying "Doctor Register" and "Nurse Call" units and patient monitoring devices. From this base its activities were then extended into the provision of more sophisticated instrumentation in the medical specialty field with product lines designed to meet today's surgical and health care requirements. Finally, we introduced the concept of display case dispensing of flowers by placing attractively designed refrigerated units in high traffic areas of hospitals.

The units within our Hospital Services Division, Sterivision, Stericomm and Steriflower, have all flourished and have continued to expand their respective market penetrations since their inception. The same is true of Sterimed, our medical instrumentation division.
The imposition of new management techniques, the strengthening of the management group, the broadening of the sales force, and the selective extension of our product lines have each contributed to the success of Sterisystems, particularly in 1973.

Heavy emphasis on improved product and service has enabled us to secure extended hospital contracts for Sterivision's patient entertainment product line. Our close working relationship with medical specialty manufacturers throughout the world allows us to keep abreast of trends and innovations. The Stericomm and Sterimed Divisions maintain constant vigil to assure their product lines are up to date and that new products with potential for growth are made available to their hospital sales representatives.

Webber Pharmaceuticals Division

The acquisition of Webber Pharmaceuticals Limited early last year marked Sterisystems first departure from its hospital services orientation. As Canada's leading manufacturer and distributor of vitamin "E" and associated products, Webber gave us an immediate and important presence in the pharmaceutical market. Our expectations for this new division are more than satisfied as the result of a total commitment to

reorganization and building which was undertaken last year.

Webber was fortunate to obtain the services of Mr. J. Michael Usatis who was previously a divisional manager with one of the country's largest pharmaceutical manufacturers. Under his direction marketing techniques, distribution methods and packaging concepts are being revitalized. Webber is developing an entirely new image — one which when superimposed on its history of product integrity and service will ensure that it maintains its position as the leader in its field.

Future

We at Sterisystems view ourselves as a typical threshold company. The markets we currently serve offer almost unlimited potential for growth to the product lines we distribute and by careful selection these lines will be broadened by the addition of new products which are compatible with our marketing operation.

When opportunities present themselves, we fully intend to acquire new companies with elements of synergism. We are constantly alert to possibilities of acquiring companies utilizing a high degree of technology and specialization. We have a specific interest in the medical, dental, veterinary and pharmaceutical fields. The opportunities for expansion of our operations into off-shore markets by way of joint venture are being investigated.

While prospects for the nation's economy may be somewhat uncertain at present, there is evidence to support our belief that the services and products we offer are relatively immune to cyclical economic downturns. Consequently, we expect the momentum built up in recent years will allow us to achieve much higher levels of sales and profits in 1974.

Your directors would like to record their appreciation for the contribution made by the late Mr. Gerald J. Risby whose encouragement, vision and judgment made an outstanding contribution to the growth of your company in its formative years. Mr. Risby retired as a director during the year to move to a senior position with his company in South Africa. At the time of printing this report we were saddened to hear of Mr. Risby's sudden death and extend our sympathy to his family.

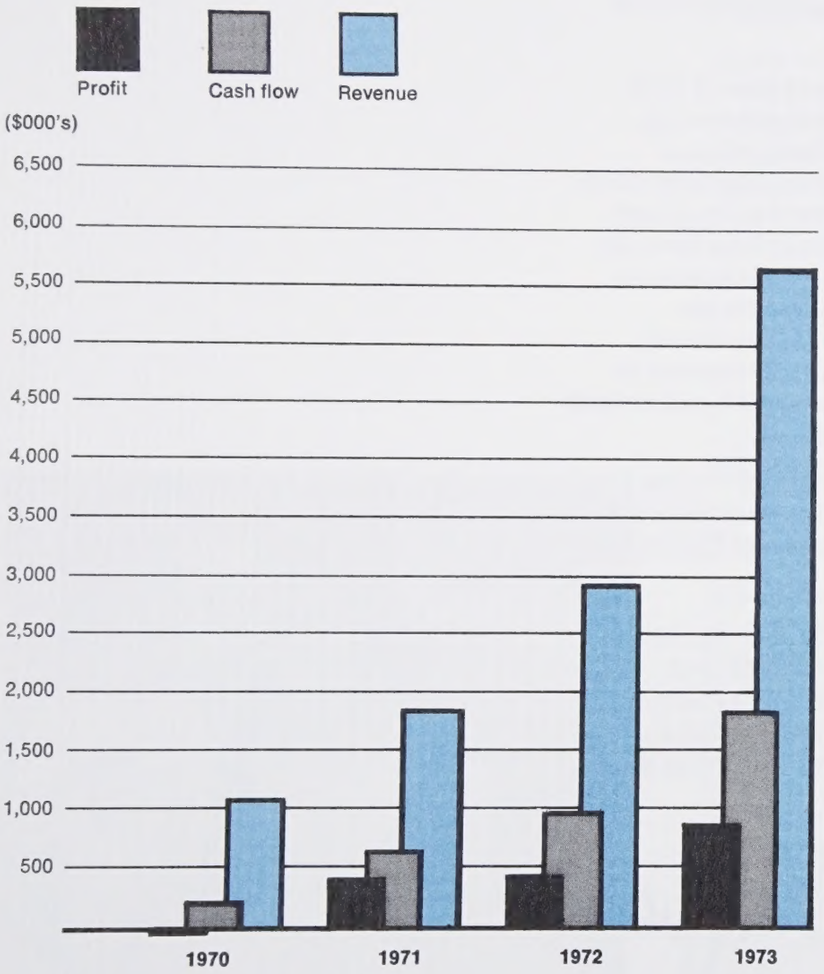
We welcome as his replacement to the board Mr. Adrian Doull vice-president of Anglo American Corporation of Canada Limited.

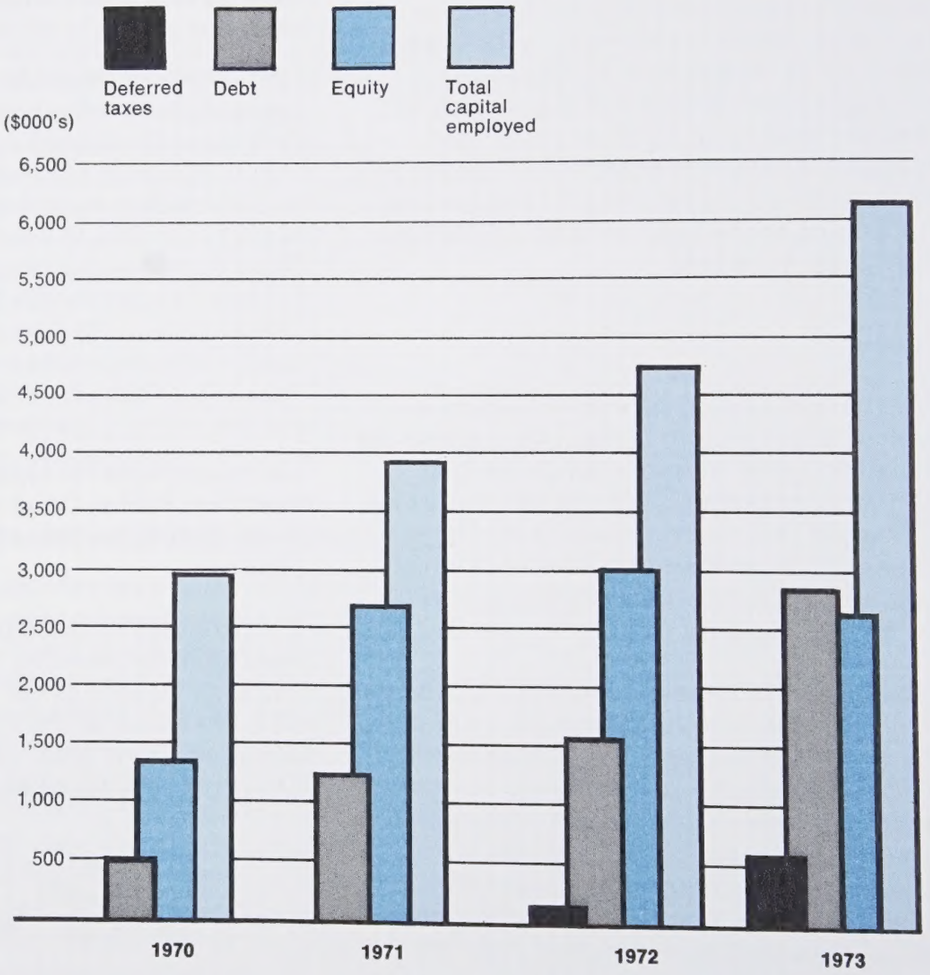
The progress attained last year could only have been achieved by the loyal and dedicated efforts of our management and staff. On behalf of the board, I extend our appreciation for their contribution to the growth of your company.

Paul G. Jeffrey
President

March 27, 1974

Financials


Profit
Cash flow
Revenue
($000's)
6,500
6,000
5,500
5,000
4,500
4,000
3,500
3,000
2,500
2,000
1,500
1,000
500
1970
1971
1972
1973


Deferred taxes
Debt
Equity
Total capital employed
($000's)
6,500
6,000
5,500
5,000
4,500
4,000
3,500
3,000
2,500
2,000
1,500
1,000
500
1970
1971
1972
1973

STERISYSTEMS LTD.
and subsidiary companies

CONSOLIDATED STATEMENT OF INCOME

YEAR ENDED DECEMBER 28, 1973
(with comparative figures for 1972)

	1973	1972
Revenue	$5,638,451	$2,874,153
Cost of sales and expenses other than undernoted	3,450,818	1,746,334
Income before the following items	2,187,633	1,127,819
Interest including interest on long-term debt 1973, $143,837; 1972, $101,147	176,739	132,782
Depreciation and amortization	502,863	388,954
	679,602	521,736
	1,508,031	606,083
Dividend income	20,000	
Income before income taxes and extraordinary item	1,528,031	606,083
Income taxes		
Current	278,400	
Deferred	445,431	310,980
	723,831	310,980
Income before extraordinary item	804,200	295,103
Extraordinary item		
Income tax reduction realized on loss carry-forward		156,020
Net income for the year	$ 804,200	$ 451,123
Earnings per share (note 8)		
Income before extraordinary item	$ .59	$ .27
Net income for the year	.59	.41

CONSOLIDATED STATEMENT OF DEFICIT

YEAR ENDED DECEMBER 28, 1973
(with comparative figures for 1972)

	1973	1972
Deficit (retained earnings) at beginning of year		
As previously reported	$ (170,890)	$ 98,042
Goodwill written off, acquired prior to beginning of year (note 2)	684,936	675,936
Deficit as restated	514,046	773,978
Net income for the year	804,200	451,123
	(290,154)	322,855
Goodwill acquired during the year representing the excess of cost of shares acquired in subsidiary company over their net book value (note 2)	2,662,158	9,000
Incorporation expense written off	3,806	
Dividends		
Class A preferred shares		12,184
Class B preferred shares		170,007
	2,665,964	191,191
Deficit at end of year	$2,375,810	$ 514,046

STERISYSTEMS LTD.

(Incorporated under the laws of Canada)

and subsidiary companies

CONSOLIDATED BALANCE SHEET

DECEMBER 28, 1973
(with comparative figures at December 29, 1972)

ASSETS	1973	1972
CURRENT ASSETS		
Cash	$ 140,764	
Accounts receivable	748,834	$ 307,363
Inventory valued at lower of cost and net realizable value	539,328	194,130
Land held for resale		58,640
Prepaid expenses	70,162	46,518
	1,499,088	606,651
INVESTMENT		
Shares, at cost	1,434	
INSTALLMENT RECEIVABLES, less current portion	127,343	97,403
FIXED ASSETS (note 3)		
Television sets, hospital installations, other equipment and leasehold improvements, at cost	7,576,724	5,597,053
Less accumulated depreciation and amortization	1,509,165	902,951
	6,067,559	4,694,102
PATENT LICENCES (note 4)	115,000	125,000
INCORPORATION EXPENSE		3,806
	$7,810,424	$5,526,962

Approved by the Board

Paul G. Jeffrey, Director

Donald C. Webster, Director

LIABILITIES	1973	1972
CURRENT LIABILITIES		
Bank overdraft		$ 6,519
Bank loans (note 5)	$ 314,400	330,000
Accounts payable and accrued liabilities	770,045	212,703
Income taxes payable	65,000	
Principal due within one year on long-term debt	513,620	228,047
	1,663,065	777,269
LONG-TERM DEBT (note 5)	2,821,349	1,589,969
DEFERRED INCOME TAXES	602,190	154,440
SHAREHOLDERS' EQUITY		
CAPITAL STOCK (note 6)		
Authorized		
3,000,000 Common shares without par value		
Issued		
1,359,873 Common shares (1972, 1,169,373)	5,099,630	3,519,330
DEFICIT (note 1)	2,375,810	514,046
	2,723,820	3,005,284
	$7,810,424	$5,526,962

Long-term lease (note 7)

AUDITORS' REPORT

To the Shareholders of Sterisystems Ltd.

We have examined the consolidated balance sheet of Sterisystems Ltd. and subsidiary companies as at December 28, 1973 and the consolidated statements of income, deficit and source and application of funds for the year then ended. Our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances.

In our opinion these consolidated financial statements present fairly the financial position of the companies as at December 28, 1973 and the results of their operations and the source and application of their funds for the year then ended, in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year after giving retroactive effect to the change in accounting practice explained in note 2 to the consolidated financial statements.

Toronto, Canada
March 14, 1974

Thorne Gunn & Co.
Chartered Accountants

STERISYSTEMS LTD.
and subsidiary companies

CONSOLIDATED STATEMENT OF SOURCE AND APPLICATION OF FUNDS

YEAR ENDED DECEMBER 28, 1973
(with comparative figures for 1972)

	1973	1972
Source of funds		
Operations		
Income before extraordinary item	$ 804,200	$ 295,103
Items not involving current funds		
Depreciation and amortization	502,863	388,954
Deferred income taxes	445,431	310,980
	1,752,494	995,037
Non-interest bearing note	1,750,000	
Term bank loans and other long-term borrowings		469,000
Issue of common shares	1,580,300	737,330
Reclassification of land held for resale		53,469
	5,082,794	2,254,836
Application of funds		
Investment acquired	1,434	
Increase in installment receivables	29,940	63,179
Additions to fixed assets	1,828,195	1,786,232
Long-term debt repaid or included in current liabilities	518,620	106,131
Dividends on preferred shares redeemed in 1972		182,191
Acquisition of subsidiary company, less working capital acquired (1973, $374,659; 1972, Nil)	2,697,964	10,000
	5,076,153	2,147,733
Increase in working capital position	6,641	107,103
Working capital deficiency at beginning of year	170,618	277,721
Working capital deficiency at end of year	$ 163,977	$ 170,618

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 28, 1973

1. CONSOLIDATION AND ACQUISITION INFORMATION

The consolidated financial statements include the accounts of all subsidiary companies. The accounts of the subsidiary company acquired in 1973 have been included since the date of acquisition. By agreement effective January 1, 1973, all of the outstanding shares of Webber Pharmaceuticals Limited were acquired. The details of the acquisition, which is accounted for as a purchase, are as follows:

Net assets acquired at book value which approximates fair value	$ 439,965
Excess of cost of shares over book value at date of acquisition written off to retained earnings (note 2)	2,662,158
	$3,102,123
Cash	$1,352,123
Note payable (note 5)	1,750,000
Total consideration given	$3,102,123

2. CHANGE IN ACCOUNTING PRACTICE

Prior to 1973 the company carried goodwill in its accounts at cost. During the year the company adopted the practice of writing off goodwill to retained earnings at the date of its acquisition. Retained earnings at December 29, 1972 have been restated to reflect the retroactive effect of applying this change in practice to prior years. Of the amount of $684,936 applicable to prior years, $9,000 represents goodwill acquired in 1972.

NOTES (continued)

3. FIXED ASSETS

	1973			1972
	Cost	Accumulated Depreciation	Net	Net
Television sets and materials for use in future hospital installations	$ 488,780		$ 488,780	$ 360,157
Television sets, rental equipment and hospital installations in service	6,552,154	$1,314,587	5,237,567	4,151,990
Other equipment	398,097	130,071	268,026	150,460
Leasehold improvements	137,693	64,507	73,186	31,495
	$7,576,724	$1,509,165	$6,067,559	$4,694,102

Depreciation on television sets and rental equipment is being provided at 10% of original cost on a straight line basis. In the opinion of management, the television sets have a life expectancy of from 10 to 15 years. Depreciation on hospital installations is being provided over the term of the contract plus one year.

4. PATENT LICENCES

The patent licences are being amortized on a straight line basis over 17 years.

5. LONG-TERM DEBT

	1973	1972
Term bank loan at the rate of 1½% above the bank's prime rate, evidenced by demand notes with repayments of $8,333 monthly during 1974, $16,666 monthly during 1975 and 1976, and $25,000 monthly thereafter (see note 6(b))	$1,400,000	$1,500,000
Term bank loan at the rate of 1½% above the bank's prime rate payable $20,000 annually	82,000	100,000
Non-interest bearing note, payable $350,000 annually commencing January 23, 1974	1,750,000	
Sundry loans at varying rates and maturities	102,969	218,016
	3,334,969	1,818,016
Less principal included in current liabilities	513,620	228,047
	$2,821,349	$1,589,969

The term loans of $1,400,000 and $82,000 and current bank loans totalling $312,000 are secured by demand floating charge debentures and an assignment of book debts.

6. CAPITAL STOCK

(a) During the year, 190,500 common shares were issued for cash totalling $1,580,300, of which 70,500 shares totalling $263,000 were issued under the company's stock option plan.

(b) Under the company's term bank loan agreement (note 5), the company may not declare or pay dividends on its common shares without the prior consent of the bank as long as the term bank loan is outstanding.

(c) At December 28, 1973 options on 75,400 common shares were outstanding, exercisable at prices varying from $4.50 to $8.78 for periods up to 1979.

7. LONG-TERM LEASES

The company rents buildings under long-term leases which expire at various dates to November 30, 1979, the annual rental for which is $64,808.

8. EARNINGS PER SHARE

Basic earnings per share have been calculated using the weighted average number of shares outstanding during the year.

Fully diluted earnings per share have been calculated assuming exercise of all options and adjustments to income resulting from imputed interest on option proceeds.

Fully diluted earnings per share are as follows:

	1973	1972
Income before extraordinary items	$.58	$.25
Net income for the year	$.58	$.37

9. REMUNERATION OF DIRECTORS AND OFFICERS

	1973	1972
Number of directors	7	7
Aggregate remuneration of directors as directors	$ 4,800	$ 9,300
Number of officers	5	4
Aggregate remuneration of officers as officers	$134,900	$101,500
Number of officers who are directors	2	2

10. COMPARATIVE FIGURES

In addition to the restatement of 1972 comparative figures resulting from the change in accounting practice outlined in note 2, certain other 1972 comparative figures have been reclassified to conform with the financial statement presentation adopted in 1973.

TV rental service cart

Seven-inch black & white set

Five-inch color set

Highlights '73

HOSPITAL SERVICES DIVISION

STERIVISION

Sterivision, by way of long term agreements with hospitals, obtains exclusive concessions to provide on a rental basis television entertainment services to patients. Active treatment hospitals of 150 beds or more are targets for most of its marketing activity. Contracts with these hospitals range from six to ten years and the average term lengthened significantly in 1973.

In smaller hospitals arrangements are made with the ladies auxiliary to lease equipment. These auxiliaries arrange patient rental and other supervision and rely on Sterivision for service and maintenance as well as new units when required.

The hospitals with which we now have rental or lease agreements number well over 200, having grown by 22 percent during the year. The number of bed installations in these hospitals is now in excess of 46,000, recording a growth of 18 percent in 1973.

Sterivision is dominant in the hospital television entertainment industry. There are several factors contributing to our position of prominence. We offer a selection of five and seven inch sets in black and white or color units. These sets are mounted on an exclusive gravity-free flexible arm which provides the patient with a maximum manoeuvreability in placing the set for viewing and the hospital the convenience of having it fold away so medical staff can work around the patient. Perhaps the strongest selling point is the patented design of our exclusive single-wire coaxial low voltage master system which provides a direct link from every patient bed to a central position in a hospital. This master system offers complete flexibility for utilization with present or future hospital communications systems.

Sterivision embarked upon an interesting and promising new undertaking in 1973. A library of "Books on Tape" was introduced to patients unable to read for themselves. Response to this unique method of bringing best sellers to the bedside has been most encouraging.

In 1974, we are looking to even greater penetration. The number of products and services your company markets through its Sterivision division will be expanded as well.

STERIFLOWER

Steriflower continues to be a profitable adjunct to the other activities of the Hospital Services Division. In less than two years it has become dominant in its market.

The concept is unique. Attractively designed refrigerated showcases for flower display are placed in strategic locations in hospital lobbies at no cost to the hospitals. The service has been very well received by the hospitals, patients and visitors alike.

Sales in this division rose significantly in 1973 and should continue to grow in 1974.

STERICOMM

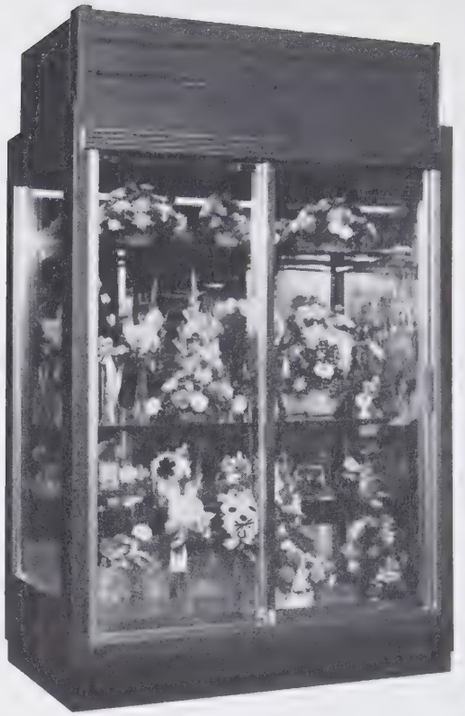
Stericomm supplies a wide range of highly sophisticated internal audio or visual communications systems to hospitals. In most instances, Stericomm can utilize coaxial cable installed by Sterivision for patient entertainment. This provides an excellent competitive advantage. A heavy emphasis on service and the ability to design and install custom made systems has led to rapid growth.

Two important new systems were added to Stericomm's product line last year. A "Digital Staff Register" system was successfully introduced to provide a more efficient means of recording the presence and whereabouts in the hospital of staff members. A "Bed Status" system is also receiving favourable reception in hospitals. This system indicates bed occupancy to the admitting, dietary and housekeeping departments.

Stericomm has also made considerable progress in developing and marketing a closed circuit tv system for medical teaching. One such video system has been installed at the University Hospital in London, Ontario for medical teaching and diagnosis. Stericomm is expanding its activities in the growing industrial field developing special applications of closed circuit tv systems and video tape services to meet security, education and communication needs.

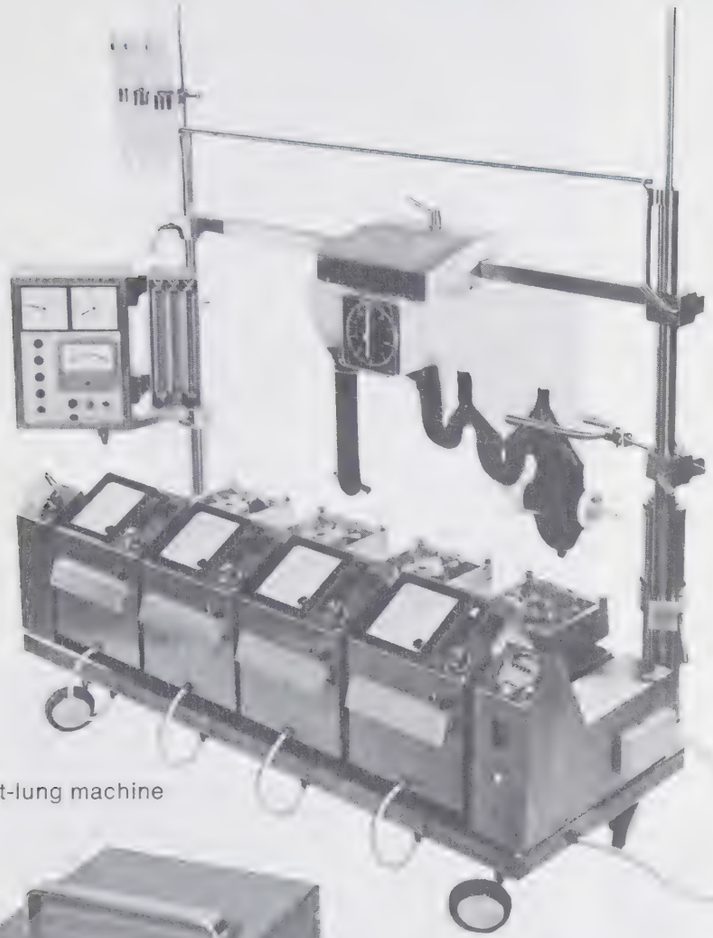
The range of audio visual systems now provided to hospitals by your company embraces almost all the paging, registering and closed circuit television requirements of modern day hospital care. New systems, and innovations to old ones, are constantly being reviewed by Stericomm experts.

Stericomm sales rose by 60 percent last year. The sales force has been doubled and we expect an accelerated growth in 1974. Medical centre communications are a growing market and Stericomm intends to expand its position in it.



Refrigerated flower showcase

Security surveillance system



Modular heart-lung machine

Solid state electro-surgery

STERIMED DIVISION

The Sterimed division markets and services a range of highly technical electro-medical instruments and equipment. As purchases are usually at the discretion of hospital technicians or surgeons, this requires a very sophisticated level of sales competence. Service is also of high priority in this market.

Sterimed offers independent manufacturers of this equipment the best in nation-wide sales distribution. As a result, it is frequently offered a first choice in selecting additions to its product line. Among the new products added in 1973 and now being distributed and serviced in Canada by Sterimed on an exclusive basis are:

i) A cardiac care monitoring system manufactured by Space Labs, a leading manufacturer of physiological monitoring systems;

ii) An electro-surgery unit for cutting and coagulating tissue manufactured by Valley Lab, a well known manufacturer of solid state electronic surgery equipment; and

iii) A line of open heart disposable products manufactured by Polystan, one of the world's largest manufacturers of blood oxygenators.

These products rounded out the line of neuro stimulators, endotracheal tubes, wire guides, catheters, pacemakers, fetal monitors, intravenous pumps, angiographic injectors, urological instruments, electronic thermometers and sundry related products distributed by our sales representatives.

Sterimed sales rose by 30 percent in 1973. The sales force was doubled during the year and the prospects for continued growth in product lines, sales and profits in 1974 are extremely good.

WEBBER PHARMACEUTICALS DIVISION

For more than twenty-six years, Webber has been engaged in the manufacture and distribution of vitamin E products. In that period, it established a reputation for excellence by using the highest quality biological material available in the preparation of its products.

Webber dominates the vitamin E market in Canada. This is largely due to its being the first in the market and to its sponsoring of most of the clinical research that has been conducted in this country. In addition, most of Webber's efforts have been directed to the detailing of doctors to make them aware that Webber offers 100 percent pure natural vitamin E products with the highest biological potency attainable.

Primary among the products distributed by Webber is natural vitamin E packaged in capsules. These comprise over 84 percent of total sales. Other products include topical vitamin E preparations for use in the treatment of burns, ulcers, sunburns and other skin irritations. In addition to vitamin E, Webber manufactures vitamins A, C and B, a cough suppressant and a nasal decongestant. It also developed a horse supplement which is now being used by the National Stud Farm.

Webber is continually investigating the possibilities of manufacturing and distributing other pharmaceutical specialties. The division's marketing strengths are now capable of supporting additional lines.

During 1973, the first year for Webber under the aegis of Sterisystems, several significant innovations were applied to the division's operations. Selling strategy was modified to place increased emphasis on the retail outlets while increasing the level of doctor detailing. To assist sales, Webber products will soon be packaged in new labels, which increase consumer visibility and recognition at the store shelf level.

During 1973 efforts were directed to expanding Webber's geographical distribution which has historically been concentrated in the Ontario market. Our coverage in Quebec was strengthened during the year and our activities in British Columbia were completely reorganized. Expansion into foreign markets, directly or by joint venture, is the subject of concerted study by Webber management.

Shareholders can hardly be unaware of the medical controversy surrounding the use of vitamin E. Medical opinion is unanimous in the view the product is harmless. Debate does continue, however, as to the degree of benefit to be derived from appropriate dosages. The range of opinion among doctors varies from those who believe there is no benefit to those who are convinced there is immense benefit. Nevertheless, the number of doctors endorsing or prescribing the use of vitamin E in the treatment or prevention of circulatory, cardiac and nervous system disorders is growing daily. The work of Dr. Evan V. Shute and his medical staff at the Shute Institute for Clinical and Laboratory Medicine in London, Ontario has done much to bring the benefit of supplementing diets with vitamin E to the attention of people everywhere.

In 1973 sales of Webber products increased substantially and prospects for 1974 are excellent not only because of improved marketing techniques, but because of the steadily increasing enlightenment of the medical profession and the general public.

New Webber vitamin E packaging

COMPARATIVE SUMMARY	1973	1972	1971	1970	1969	1968
Operating Results						
Revenue	$5,638,451	$2,874,153	$1,802,992	$1,086,782	$ 363,686	$ 71,726
Income (loss) before interest, depreciation and amortization and income taxes	2,187,633	1,127,819	776,118	328,140	(133,772)	(71,584)
Cash flow	1,752,494	995,037	647,132	181,192	(155,290)	(74,483)
Profit (loss) for the year	$ 804,200	$ 451,123	$ 374,520	$ (9,683)	$ (251,599)	$ (90,991)
Earnings per share — fully diluted	$ 0.58	$ 0.37	$ 0.39	$ 0.02		
Shares outstanding at year end						
Class A preferred			60,000			
Class B preferred			60,000	60,000	60,000	60,000
Common (Adjusted to reflect 3 for 1 stock split, Nov. 24, 1972)	1,359,873	1,169,373	720,450	632,850	358,500	318,750
Balance Sheet Data						
Total assets	$7,810,424	$5,526,962	$4,498,034	$3,474,391	$2,385,670	$1,030,441
Long-term debt, net of current portion	2,821,349	1,589,969	1,227,100	509,504	1,085,956	
Deferred income taxes	602,190	154,440				
Shareholders' equity	2,723,820	3,005,284	2,683,958	1,318,277	647,910	821,509

BOARD OF DIRECTORS

Peter A. Allen, Toronto
President, John C. L. Allen Limited

*†Michael B. Harding, Montreal
Assistant General Manager - Finance,
Credit Foncier Franco Canadienne

*Paul G. Jeffrey, Toronto
President and Chief Executive Officer,
Sterisystems Ltd.

†Marcel J. Laviolette, Montreal
President, Luxo Lamp (Canada) Limited

†Michael L. Needham, Toronto
Vice-President, Helix Investments Limited

†Adrian Doull, Toronto
Vice-President and Director, Anglo American
Corporation of Canada Limited

*Donald C. Webster, Toronto
President, Helix Investments Limited

*Members of the Executive Committee
†Members of the Audit Committee

OFFICERS

Donald C. Webster, *Chairman of the Board*

Paul G. Jeffrey, *President and Chief Executive Officer*

Douglas H. Last, *Vice-President*

Harold M. Pipher, *Vice-President*

H. Edward Standish, *Secretary-Treasurer*

AUDITORS

Thorne Gunn & Co., Toronto

TRANSFER AGENT AND REGISTRAR

The Canada Trust Company, Toronto

STERISYSTEMS LTD.

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47 Baywood Road
Rexdale (Toronto), Ontario M9V 3Y9

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Ville St-Laurent (Montreal), Quebec H4N 1S2

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Rexdale (Toronto), Ontario M9W 1B2

STERISYSTEMS LTD.
47 BAYWOOD ROAD
REXDALE (TORONTO)
ONTARIO M9V 3Y9

AR26

NEWS RELEASE COMMUNIQUÉ

OTTAWA - June 12, 1973

Communications Minister Gérard Pelletier today said that a live teleconference experiment this week between France and Canada may pave the way for new ways of using telecommunications to further international cooperation.

The experiment, using the facilities of the Canadian Overseas Telecommunication Corpo ration (COTC), will consist of an audio-visual link by satellite between l'Institut de Cardiologie in Montreal and l'Hôpital cardiovasculaire et pneumalogique in Lyon, France.

The crown corporation, using a transatlantic satellite and its earth station at Mill Village, Nova Scotia, will establish a live hook-up between two groups of doctors, one at each location, allowing them to hold a conference and exchange medical information. The French ministère des Postes, Téléphones et Télégraphes (P. T. T.) is also participating in the proje ct, providing the link through its earth station at Pleumeur-Bodou, in Britany.

The experiment, first of its kind, will take place Thursday, June 14 and was arranged following discussions with the Government of France. Cost of the project will be shared by Canadian, French and Quebec authorities.

Mr. Pelletier said the experiment pointed to novel ways in which telecommunications and live satellite links can be used to increase international cooperation in many fields.

Closer cooperation between France and Canada in the field of telecommunications is already being achieved, Mr. Pelletier said, and experiments such as this could help bring French-speaking Canadians in closer contact with their counterparts in other French speaking countries.

In the future, similar links could provide a means of international consultation , allowing groups of Canadian experts in many fields and disciplines to consult with their colleagues in countries throughout the world.

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